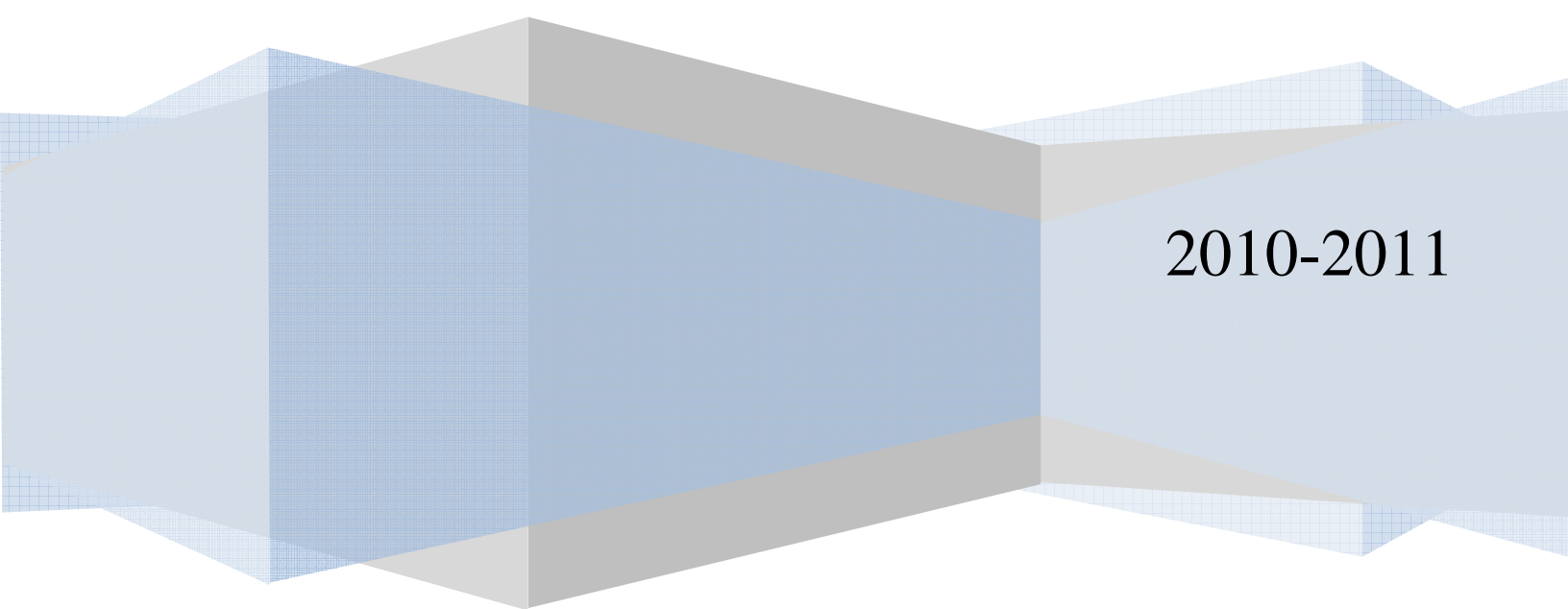


draft

City of Greenville, N. C.

ANNUAL ACTION PLAN



2010-2011

TABLE OF CONTENT

I.	Executive Summary	
	A. Purpose	4
	B. Background	4
	C. Geographic Area	5
	D. Geographic Allocation of Investments	5
	E. Strategies to Meeting the Underserved Need	5
II.	Source of Funds	
	A. CDBG Program	9
	B. HOME Investment Partnership	9
	C. American Recovery and Reinvestment Act 2009	10
	D. Affordable Housing Bond Program	11
	E. Funding Summary Chart	12
III.	Citizen Participation Plan	13
IV.	One Year Action Plan	
	A. Introduction	13
	B. Performance Measurement	14
	C. 2010-2011 Action Plan Projects	16
	D. CDBG/HOME Funding Chart	21
V.	Other Actions	
	A. Affirmatively Furthering Fair Housing	22
	B. Analysis of Impediments to Fair Housing	22
	C. Affirmative Marketing Policy	27
	D. Women/Minority Business Outreach	28
	E. Evaluation and Reduction of Lead-Based Paint Hazard	28
	D. Anti-Poverty Strategy	29
	E. Developing Institutional Structures	29
	F. Public Housing	30
	G. Recapture Provisions	30
VI.	Monitoring Plan	
	A. HOME Program Schedule	32
	B. CDBG Program Schedule	34
VII.	Strategic to Eliminate Homelessness	
	A. Continuum of Care	34

APPENDICES

- A** Required HUD forms
- B** Maps
 - West Greenville 45 Block Revitalization areas
 - Census Tracts
- C** Resolutions
- D** Legal Advertisements
- E** Citizen Participation Plan
- F** Anti Displacement and Relocation Plan
- G.** Affirmative Marketing Policy

I. EXECUTIVE SUMMARY

A. Purpose

The Action Plan is a requirement of the Department of Housing and Urban Development (HUD) as a condition of receiving funding under certain federal programs. The goal of the Plan is to extend and strengthen partnerships among the public and private sector to provide decent housing, establish and maintain a suitable living environment and expand economic opportunities.

This plan serves as the City's application for federal funding for the following federal entitlement programs:

- Community Development Block grant (CDBG)
- HOME Investment Partnership Program
- Emergency Shelter Grant (ESG)
- Neighborhood Stabilization Program
- Rapid Re-housing Program

B. Background

The 2010-2011 Annual Action Plan represents the third year of the City of Greenville Consolidated Plan. The current Consolidated Plan was approved on May 8, 2008, by the City Council. The plan identifies a comprehensive strategy to address community needs for the five-year period 2008-2013. The plan associates goals and objectives with current needs throughout the five-year period. The goals and objectives identified guide staff in selecting activities to be carried out during each fiscal year. The top priorities and goals determined in the Consolidated Plan include the following:

1. Revitalization of several neighborhoods in West Greenville that are in a state of decline through:
 - Rehabilitation of owner occupied units.
 - Acquisition and demolition of dilapidated rental housing.
 - Acquisition of vacant parcels to assemble land for suitable building sites
 - Construction of affordable housing in West Greenville Revitalization area.
 - Establishing a neighborhood commercial focus area.
 - Preserving historical business district along Albemarle Avenue and West Fifth Street.
 - Conversion of rental dwellings to owner occupants with downpayment assistance.
 - Identification of infrastructure improvements.
 - Improving but preserving the neighborhood character.
 - Developing programs and services with the private sector that will aid in the success of revitalization efforts.
 - Landscaping/Streetscape improvements.
2. Supporting nonprofits that provide housing assistance to special needs populations, provide youth services, and encourage entrepreneurship.

3. Providing homebuyer assistance for first-time homebuyers.
4. Continue to eliminate lead-based paint hazards in dwellings assisted with federal funding.

C. Geographic Area

The City of Greenville, North Carolina is located in the coastal plains area of the State, in Pitt County. It is geographically located 84 miles east of Raleigh, 157 miles south of Richmond, VA, and 265 miles south of Washington, DC.

Greenville is the tenth largest city in North Carolina (pop. 81,932). From 1990 to 2000, the population increased by more than one-third, growing by 34.3 percent from 44,972 in 1990 to 60,385 in 2000. Over the past 20 years the community has experienced dramatic growth. Greenville is slowly emerging as a major industrial and economic center for Eastern North Carolina – a center for education, industry, medicine and culture.

D. Geographic Allocation of Investment

Program activities carried out by the City of Greenville will occur throughout the City, but some specifically within the West Greenville 45-Block Revitalization Area (**Appendix B**). This area can be defined as bounded on the north by West Fifth Street, on the west by Bancroft Street, on the east by Albemarle Avenue and to the south by Fleming Street. The area involved has been a target area for City of Greenville housing programs for many years. Recent efforts have substantially reduced the area currently being targeted in an attempt to address greater needs in a more concentrated approach. Please see attached maps of census tracts that are areas of minority concentration and low income block groups (**Appendix B**).

Some program data indicates that minority populations comprise a majority of the targeted income groups. However, eligible persons from all racial, ethnic and gender groups are given the opportunity to participate in any of the housing programs.

E. Strategies to Meeting the Underserved Need

The City of Greenville has established the following strategies for meeting the needs of the underserved in the community.

1. Housing Strategies

a. Downpayment Assistance

The City of Greenville continually seeks methods for fostering and maintaining affordable housing. Funds during the 2010-2011 Program Year have been reserved for downpayment assistance to low-moderate income homebuyers within the City of Greenville. Funds will be used to address goals for increasing homeownership throughout the City. Funding from previous years has also been made available to homebuyers as downpayment assistance. Provision of downpayment assistance decreases the amount of financing and/or funding a homebuyer needs in order to purchase a home. To date, we have assisted 47 families with funding from the North Carolina Housing Finance Agency totaling \$733,889 and 49 families under the HOME Program for a total assistance of \$536,745. The City also provides assistance with local bond funds to aide with downpayment or closing costs. Bond funds are awarded to qualifying applicants as a no interest loan up to 5% of the purchase price of the home and amortized over 5 years. 29 families have received assistance totaling \$53,209.

b. Development of Affordable Housing

In an attempt to address the barriers to developing affordable housing, the City of Greenville continues to create single family affordable housing opportunities. The lots are purchased by the City with funding from approved public bonds. Upon acquisition and installation of infrastructure, the City then makes lots available to nonprofit agencies for development. All submitted proposals are accepted based on a reasonable price per square foot and the nonprofit's ability to meet building specifications as required by the Request for Proposal. Purchase of the land and improvements increases the affordability of the lots in turn reducing the cost to the homebuyer. As lots are sold to eligible homebuyers, the funds for the lot cost are recaptured and used to fund future developments.

c. Partnerships

The City of Greenville partners with local nonprofit agencies to provide Homeownership Counseling & Workshops for potential homebuyers. The City additionally also offers a Homeownership Academy that provides participants with the opportunity to gain a working knowledge of the home buying process and to prepare financially to purchase a home within the West Greenville 45 Block Revitalization Area. At the completion of the program, participants receive a certificate for \$500.00 redeemable at closing to assist with the purchase of an existing or new home within the West Greenville 45 Block Revitalization Area.

d. Support of Habitat for Humanity

The City of Greenville also supports the Pitt County Habitat for Humanity as another housing resource. Funding from our CDBG Subrecipient Program is made available for housing providers such as Habitat to acquire lots.

2. Community Development Strategies

a. Revitalization

The intended actions in the West Greenville Area Revitalization Redevelopment Plan are to build upon the strengths of the area and remove obstacles that limit the possibilities for success. The goals of the plan in this area are to increase the levels of homeownership, remove blighting influences, improve the public infrastructure, create continuous and ongoing programs with service providers to address the social issues of the community and to provide quality economic development and commercial opportunities for the area and for its residents.

b. Multifamily Development

Two new housing developments were completed in 2010 in Greenville's Center City. Nathaniel Village, an affordable family oriented multi-family development made possible through a joint venture between the Redevelopment Commission and Landmark Development, a housing developer headquartered in Winston-Salem, North Carolina. Once completed, Nathaniel Village will offer 48 units and 104 bedrooms of high quality apartment living to residents wishing to live in proximity to Greenville's historic Uptown Commercial District.

Three blocks to the north along the scenic banks of the Tar River, First Street Place student living got underway which will offer 228 bedrooms in 193 units of upscale apartment living to a clientele expected to be largely comprised of upper division students attending East Carolina University. Together, these two projects represent the first significant housing development in Greenville's Center City in more than two decades.

c. Infrastructure Improvements

Planning and design work continued in 2010 on three major public infrastructure projects that collectively will help to reshape the functionality and image of Greenville's Center City. Two streetscape projects, the West Fifth Street Gateway and the Cotanche and Reade project will respectively improve aesthetics, vehicular and pedestrian safety, and will provide Greenville's citizens with a first of its kind opportunity – municipally sponsored public art.

3. Economic Development Strategies

a. Façade & Site Improvement Grant Program

Maintaining the architectural quality and aesthetic appeal of commercial and office structures in the West Greenville Redevelopment Area is an important part of the overall strategy to restore the economic vitality of West Greenville. Proper improvements to the exterior of individual buildings will help to develop an image that will invite additional investment into the area.

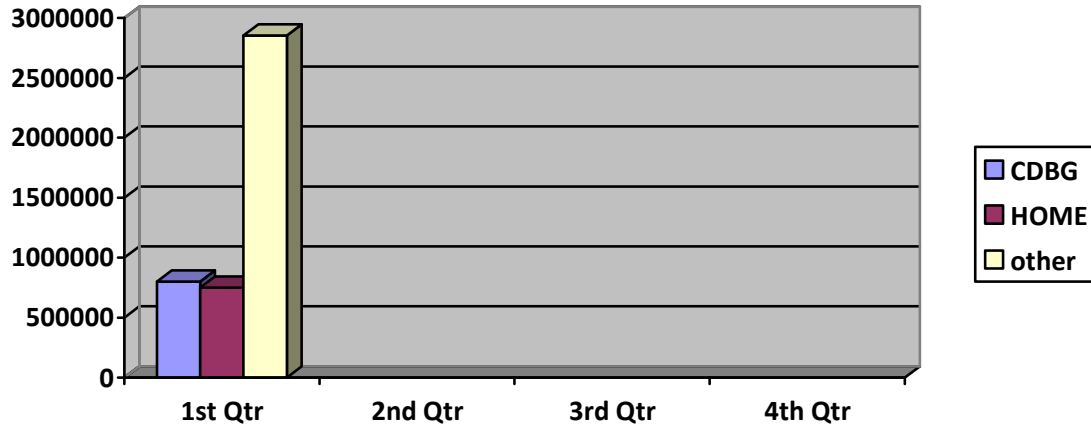
The Greenville Redevelopment Commission has developed the Building Blocks Façade and Site Improvement Grant Program in order to provide an incentive to property and business owners to make improvements to their properties. These guidelines should be followed by property owners, tenants, architects and contractors involved in exterior improvements or rehabilitation to buildings in the West Greenville Redevelopment Area.

b. Small Business Incubator

The Redevelopment Commission of Greenville has contracted with the Small Business and Technology Development Center (SBTDC), a state agency, to study the feasibility of establishing a small business incubator within the geographic bounds of the West Greenville Redevelopment Area. The incubator mission will be to create an open, business-first small business incubator that will cultivate entrepreneurship, and promote economic development and community revitalization within the West Greenville Redevelopment Area. It is anticipated that CDBG funds will be used to supplement the project.

II. SOURCES OF FUNDS

Resources available to support activities identified in the Consolidated Plan and this Annual Action Plan will include Community Development Block Grant funds, HOME Investment partnership, Lead Based Paint Hazard Control Program, general revenues, local Bond program, North Carolina Housing Finance Agency, private lending institutions and private developers.



A. CDBG Program

The Housing and Community Development Act of 1974 created the Community Development Block Grant program in 1974. Since 1975, the City of Greenville has participated in the program with a variety of activities. The City of Greenville became an Entitlement in 1994. As an Entitlement, the City receives an annual allocation of funding from the U.S. Department of Housing and Urban Development. The primary objective of CDBG is the development of viable urban communities by providing decent housing, a suitable living environment, and expanding economic opportunities. All activities carried out must meet one of the three National Objectives. Those objectives are:

- Benefit low-moderate income persons;
- Aid in the prevention or elimination of slums or blight; or
- Addressing an “urgent need”

B. HOME Investment Partnership Program

The HOME Investment Partnership program was created by the National Affordable Housing Act of 1990 to create local partnerships for providing decent affordable housing to lower income households. It is intended that local jurisdictions work with nonprofit organizations and the private investment community to achieve this goal.

Cities receiving HOME funds must reserve 15% of their HOME funds to Community Housing Development Organizations (CHDOs) for affordable housing development.

In 1997, the Pitt County HOME Consortium was formed. The Consortium included the City of Greenville as lead entity, the Towns of Farmville, Ayden, Bethel, Grifton and Pitt County. The Town of Winterville became a member in 2001. As a Consortium, the communities were eligible for further financial assistance from the U.S. Department of Housing and Urban Development. The Pitt County Consortium has provided affordable housing and improvements for over ten years.

However, as of January 2008, the City Council of Greenville voted to disband the Consortium partnership and apply to become a “Participating Jurisdiction” for HOME funding. This Action Plan will represent Greenville’s second year as a Participating Jurisdiction for HOME for City of Greenville only.

Local match requirement for the 2010-2011 Home Program is approximately \$-144,702. These funds come from local funds earmarked for Affordable Housing and for meeting match requirements. The funds will be used to augment HOME projects. The HOME Consortium currently has a match credit of \$1,199,682, which will be carried over. Despite the match credit, the City still identify match with all projects, evidence of which is detailed on the match log.

C. American Recovery and Reinvestment Act (ARRA)

The City of Greenville was awarded through the 2009 Federal Stimulus Plan, American Recovery and Reinvestment Act (ARRA) from the U.S. Department of Housing and Urban Development a Lead Based Paint Hazard Control Grant. The proposed \$1.9 million grant funds will be used to accomplish the following within 36 months, which began April 15, 2009:

- Control and reduce lead hazards in one hundred and ten (110) low-income housing units in the Greenville area.
- Addressing 110 housing units occupied by children under the age of six w/ elevated blood lead levels
- Provide 75 outreach programs for community awareness and education regarding lead hazards aimed at reaching 5,000 people
- Screening and test for elevated lead levels in children under age six

- Provide Lead Safe Work and Lead Certification training to at least 10 Contractors involved in the City of Greenville housing rehabilitation program
- Provide economic opportunities to at least sixty (60) unemployed and underemployed persons in the targeted neighborhoods, creating 60 jobs
- Develop a self sustaining program by integrating lead hazard reduction into housing rehabilitation programs

In addition, as an entitlement community for CDBG program, the City has been awarded \$216,580 of CDBG-Recovery funds to enhance community development activities.

D. Affordable Housing Bond Program

On November 2, 1992, the citizens of Greenville approved a one million dollar bond referendum for affordable housing. The funding was divided into three revolving loan categories. The categories include homeownership, land banking, and elderly housing rehabilitation. As revolving loans, these funds are continually recaptured and recycled into the activities to further efforts to promote and preserve affordable housing. This bond lead to the production of 161 affordable homes for first time low and moderate income buyers and flood survivors and over 153 loans to low and moderate families for home purchases and rehabilitation of low income elderly homeowner residences. These funds have been recycled since 1992 and are available for the 45 Block Revitalization program and other affordable housing initiatives of the City of Greenville.

In 2004, citizens again approved \$10 million in bond referendums for the revitalization efforts in the Uptown and West Greenville 45 Block Revitalization focus area. Five million of the \$10 million is set aside for the priorities and goals identified below within the 45 Block Revitalization Area for the use with CDBG and HOME funds.

E. Funding Summary Chart

Source	Amount	Description
CDBG	\$887,849	Funds will be used for administration, housing rehabilitation, acquisition, relocation, public service, public facility improvements and clearance/ demolition.
HOME Investment Partnership	575,192	Funds will be used for administrative cost, housing rehabilitation, new construction, downpayment assistance, and CHDOs.
General Revenue	\$340,000	Funds to leverage administrative/operating costs for staff and other local municipal appropriations to support programs.
Affordable Housing Bond Program	\$150,000	A 1992 Voters Referendum for preservation and creation of affordable housing in the City of Greenville.
North Carolina Housing Finance Agency	\$200,000	Funds are awarded from the New Home Loan Pool in the West Greenville 45 Block Revitalization Area for downpayment assistance.
ARRA-Lead Based Paint Hazard Control Grant	\$1,922,370	Funds from Office of Healthy Homes and Lead Hazards to provide education, contractor certification, testing and abatement and reduction of lead hazards for children under six and their families.
Program Income	\$16,000	Funds generated from recaptured activities of CDBG and HOME assisted units.
Total All Sources	\$4,091,411	Approximate total of all sources

III. CITIZEN PARTICIPATION

The City of Greenville continues to acknowledge the importance of citizen participation in developing activities for each upcoming year. Revisions to the Citizen Participation Plan were placed into effect as of September 11, 2003 (see Appendix E) in an effort to increase public awareness. Despite the recent changes to the current plan, we will continue to search for avenues to increase the level of participation by the community. Resources to better our current plan will include HUD recommendations; contact with other cities to review their plans, and most importantly the consideration of input from the local community to increase involvement.

The City also encouraged public participation in developing the 2010-2011 Annual Action Plan by making a copy of the plan available to the Affordable Housing Loan Committee members; and a copy accessible at all City Community Recreational Centers, Library and Housing Division Office for the general public, nonprofits and other interested parties to review and submit comments from March 22, 2010 through April 23, 2010. No comments have been received.

In addition, two Public Hearings were held for citizens to provide input on February 11, 2010 and April 8, 2010 during City Council meetings.

IV. ONE YEAR ACTION PLAN

A. Introduction

The 2010-2011 Annual Action Plan describes the CDBG and HOME activities proposed for the 2010 fiscal year. The Five-Year Consolidated Plan guides development of the plan and selection of activities to be undertaken. The plan also includes the resources available to perform the activities, a detailed description of the activities, and maps depicting the areas in which the activities will take place.

The activities to be undertaken by the City of Greenville for the 2010-2011 fiscal year will include Program Administration, Owner-Occupied Housing Rehabilitation, Downpayment Assistance to First-time Homebuyers, Housing Rehabilitation, New Construction Clearance & Demolition, Public Service, Community Housing Development Organizations, Relocation Assistance, and Land Acquisition. It is anticipated that a majority of the proposed activities will be completed within the program year with a few overlapping into future years.

In addition to routine Community Development activities through the CDBG and HOME Programs, we continue to expand the supply of new single family affordable housing units with the assistance of local bond funds. These new units require the experience and oversight of the City of Greenville Housing Division. The City of Greenville has constructed a total of 162 units throughout the City. See the breakdown below:

New Single Family Units	Total Units
Singletree	24
Carolina Heights	15
Red Oak	1
Countryside Estates	105
West Greenville	17
Total	162

B. Performance Measurement

The focus on demonstrating performance and results is present at all levels of government and in the private sector. Performance measurement is a program tool that can help housing and community development practitioners collect data, track progress, and report on program results in a way that speaks to the impact a program has had on a community and the lives of its residents. Performance Measurement is an organized process for gathering information to determine how well programs and activities are meeting established needs and goals. There are three main components to Outcome Performance Measurement System: Objectives; Outcomes; and Indicators.

1. Objectives:

Performance Measurement offers three possible objectives for each activity. These objectives are based on the broad statutory purposes of the four Community Planning and Development programs:

a. Creating Suitable Living Environments

This objective relates to activities that are designed to benefit communities, families, or individuals by addressing issues in their living environment. The activities are intended to address a wide range of issues faced by low and moderate income persons, from physical problems with their environment, such as poor quality infrastructure, to social issues such as crime prevention, literacy, or elderly health services.

b. Providing Decent Housing

This objective focuses on housing activities whose purpose is to meet individual family or community housing needs.

c. Creating Economic Opportunities

This applies to activities related to economic development, commercial revitalization or job creation.

2. Outcomes:

The second component of the system is outcomes, which are closely related to objectives. The program outcome helps further refine the objectives and is designed to capture the nature of the change or the expected result of the objective to achieve. The following are the three identified:

a. Availability/Accessibility

This applies to activities that make services, infrastructure, public services, public facilities, housing or shelter available or accessible to low and moderate income people, including persons with disabilities.

b. Affordability

These are activities that provide affordability in a variety of ways to low and moderate income people. It can include the creation or maintenance of affordable housing, basic infrastructure hook-ups or services such as transportation or day care.

c. Sustainability

This applies to activities that are aimed at improving communities or neighborhoods, helping to make them livable or viable by providing benefit to persons of low and moderate income by removing or eliminating slums or blighted areas, through multiple activities or services that sustain communities or neighborhoods.

3. Indicators:

Once the program purpose (objective) has been established and intended result (outcome), the next step is to identify how to measure progress towards achieving the intended results. There are four common indicators that are relevant for most activities:

- Amount of money leveraged from other sources
- Number of persons, households, businesses, units or beds assisted
- Income level of persons or households by: 30%, 50%, 60% or 80%
- Race, ethnicity and disability data

A successful performance measurement system is tailored to the specific goals and objectives of the program. To meet its obligation to assess program performance, HUD must require grantees to provide information on their achievements and investments since program objectives and activities are determined and implemented locally.

C. 2010-2011 Action Plan Projects:

1. Program Administration

Activity 2010-1

Regulatory Citations: 24 CFR Parts 92.207, and 570.206

Description: Staff salary, planning, and administrative service delivery costs for implementing the Community Development Block Grant and HOME Programs, will be funded through CDBG and HOME awards, as well as local general revenue support.

Funding Amount:	\$57,500	HOME
	\$177,500	CDBG
	\$310,000	General Fund

2. Housing Rehabilitation

Activity 2010-2

Regulatory Citations: 24 CFR Parts 92.205-(a) (1), 570.202

Description: This program is designed to assist very low to low income homeowners with rehabilitating existing housing structures. The primary intent of this activity is to bring units up to code through the provision of rehabilitation activities to eliminate all code violations and provide a decent, safe and sanitary living environment. Program costs incurred may include demolition, construction, permitting fees, surveying, lead abatement, credit reports and closing costs. This activity will target owner occupied homeowners only. Qualified candidates for assistance include homeowners with annual incomes below 80% of the median area income as defined by HUD.

Funding Amount:	\$ 400,000	CDBG
	\$ 150,000	HOME

Performance Measurement

Objective: Providing Decent Housing

Outcome: Affordability

Output Indicators: Number of units rehabilitated Goal: 10

3. New Construction

Activity 2010-3

Regulatory Citations: 24 CFR Parts 92.205-(a) (1)

Description: This program is designed to assist very low to low income first time homeowners with purchase of a home. The primary intent of this activity is to increase homeownership opportunities that maximize HOME and Bond resources by providing funding to build new single family units in West Greenville. This activity will create partnerships as necessary to assist low income households in purchasing new single family units in West Greenville. Qualified candidates for assistance include households with annual incomes below 80% of the median area income as defined by HUD.

Funding Amount:	\$ 150,000	HOME
	\$ 150,000	Bond funds

Performance Measurement

Objective: Providing Decent Housing

Outcome: Affordability

Output Indicators: Number of units Goal: 3

4. Acquisition of Substandard/Dilapidated Properties

Activity 2010-4

Regulatory Citations: 24 CFR Part 570.201 (a), 570.201 (d), 570.201 (i)

Description: Efforts will continue to acquire and demolish substandard and dilapidated properties that continue to blight the 45-Block Revitalization Area. Acquisition will focus on vacant rental properties or vacant parcels however it may be necessary to acquire occupied rental units for the betterment of the community. Relocation assistance will be provided to tenants that are displaced per URA guidelines. Parcels will be recombined for the development of new, affordable housing units. Acquisition costs may include, but not limited to legal fees, appraisal costs and surveying.

Funding Amount: \$70,000 CDBG

Performance Measurement of Acquisition Activities

Objective: Creating Suitable Living Environments

Providing Decent Housing

Outcome: Affordability, Availability/Accessibility

Output Indicators:	Number of units acquired	Goal: 2
	Number of households relocated to decent housing	

5. Relocation/Displacement Assistance

Activity 2010-5

Regulatory Citations: 24 CFR Part 570.201 (a), 570.201 (d), 570.201 (i)

Description: As part of the West Greenville 45 Block Revitalization plan, efforts will continue to acquire and demolish substandard and dilapidated properties that continue to blight the area. Acquisition will focus on vacant rental properties or vacant parcels however it may be necessary to acquire occupied rental units for the betterment of the community. Relocation assistance will be provided to tenants that are displaced per Uniform Relocation Assistance guidelines.

Funding Amount: \$10,000 CDBG

Performance Measurement of Relocation/Displacement Assistance

Objective:	Creating Suitable Living Environments	
	Providing Decent Housing	
Outcome:	Affordability, Availability/Accessibility	
Output Indicators:	Number of units households	Goal: 5

6. Public Service

Activity 2010-6

Regulatory Citations: 24 CFR Part 570.201(e)

Description: The City of Greenville will make available funds to assist nonprofit organizations with approved public services activities. Qualified agencies will participate in projects that benefit citizens of the City of Greenville. Nonprofit housing and service providers must assist the underserved populations of the City. Applications from nonprofits are submitted to the City for consideration annually and reviewed by the Affordable Housing Loan Committee. The activities will assist low income persons, homeless and special needs persons, youth development, victims of family/domestic violence, and housing providers. All funding will be expended from September 2010 through August 2011.

Funding Amount: \$115,000 CDBG

Performance Measurement of Public Service Activities

Objective:	Creating Suitable Living Environment	
Outcome:	Sustainability	
Output Indicators:	Number of LMI households served	Goal: 25

7. Downpayment Assistance**Activity 2010-7****Regulatory Citations:** 24 CFR Part 92.205-(a) (1)

Description: This program is designed to assist low income residents with “gap financing” in the form of downpayment and closing cost assistance in the purchase of newly constructed homes and existing homes. All first time participants must contribute at least \$1000 towards the purchase.

Funding Amount: \$100, 000 HOME**Performance Measurement****Objective:** Providing Decent Housing**Outcome:** Affordability

Output Indicators:	Number of inquiries	Goal:	20
	Number of first time homebuyers		5

8. Clearance/Demolition**Activities 2010-8****Regulatory Citation** 24 CFR Part 570.201(d)

Description: This activity is designed to acquire and demolish substandard structures in the West Greenville 45 block Revitalization area in an effort to improve the living conditions for low income residents. Parcels may be recombined for the development of new, affordable housing units.

Funding Amount: \$45,349 CDBG**Performance Measurement of Clearance/Demolition Activities****Objective:** Creating Suitable Living Environment**Outcome:** Affordability, Availability/Accessibility

Output Indicators:	Number of units acquired	Goal:	10
	Number of units demolished		8

9. Community Housing Development Organization (CHDO) Activities

Activities 2010-9

Regulatory Citations: 24 CFR Part 902.207 (a), (c), (d)

Description: It is anticipated that a certified CHDO will utilize the funding to continue production of single family units for first-time, low-moderate income homebuyers. At the present time, the City has three certified organizations: Metropolitan Housing and CDC, Streets to Home and Exceed, Inc.

Funding Amount: \$117,692 HOME

Performance Measurement

Objective: Decent Affordable Housing

Outcome: Affordability

Output Indicators: Number of new single family units **Goal:** 3

10. Public Facilities Improvement

Activities 2010-10

Regulatory Citations: 24 CFR Part 507.201(c)

Description: It is anticipated that the funds will be used to assist public facilities with minor repairs to improve facilities that serve low to moderate income citizens.

Funding Amount: \$70,000 CDBG

Performance Measurement

Objective: Creating Suitable Living Environment

Outcome: Sustainability

Output Indicators: Number of units **Goal:** 3

D. CDBG/HOME Funding Chart

ACTIVITY	HOME FUNDS	CDBG FUNDS	OTHER/BOND FUNDS
Administration	57,500	177,500	310,000
Housing Rehabilitation	150,000	400,000	\$300,000
Relocation	0	10,000	0
Acquisition	0	70,000	0
New Construction	150,000	0	150,000
Downpayment Assistance	100,000	0	30,000
Clearance/Demolition	0	30,000	0
Community Housing Development Organizations	117,692	0	0
Public Facilities Improvement	0	70,000	0
Public Service	0	115,000	0
Program Income	11,000	5,000	0
Total	586,192	892,849	\$790,000

V. OTHER ACTIONS

A. Affirmatively Furthering Fair Housing

The City continues to fund affirmatively fair housing marketing actions. These actions are inherent to each of the housing activities provided through the Community Development Department. Education of the Fair Housing Laws will occur throughout the year and most specifically during the month of April, which is designated as “Fair Housing Month” and “CDBG Week”. As part of a weeklong celebration of CDBG Week, the City sponsored a “Homeownership Fair” on March 27, 2010, Ribbon-cutting for new home, Public Education Forum, Tour for Elected Officials, Housing Partners Reception and “Clean up West Greenville”.

In addition, the City, Greenville Human Relations Council and Area Property Managers Association hosted a week of events April 2010, which included: a Fair Housing Seminar, which was designed for property managers and landlords; a Fair Housing Roundtable, which included discussions on the feasibility of establishing a local fair housing ordinance, increased foreclosures, tenant fees and how property managers may better serve tenants.

The City of Greenville will continue to use administrative dollars to fund further fair housing activities during 2010-2011. The City employs a staff person to coordinate all fair housing and other human relations activities, which is funded with general fund dollars in the approximate amount of \$150,000.

B. Analysis of Impediments to Fair Housing Choice

An update to the Analysis of Impediments to Fair Housing Choice was completed by the City of Greenville, May 2008. This section presents the Fair Housing Analysis Update for the 2008-2013 Consolidated Plan. It primarily includes existing impediments to fair housing choice currently being addressed and the plans recommended to remedy them. The update relies on public/private information regarding the real estate and banking industries, Greenville housing and community development activities, North Carolina and Greenville Human Relations Agencies, and the Greensboro and Atlanta HUD Offices of Fair Housing and Equal Opportunity.

1. Impediment

Lack of affordable housing forces the lower income population to find alternative housing. Alternative housing may consist of doubling up; where households combine to cut the expenses of housing. Others are forced to live in housing that is in poor condition that leads to that leads to disparate treatment of protected class families and individuals.

Plan

The financing industry may have the best strategy for this impediment. While it appears to be true that there are insufficient affordable housing units available for housing choice in Greenville, the fact is that a surplus of moderately priced housing is available. Therefore, if lower income home seekers attempt to follow financing recommendations such as using the City's down payment assistance programs and efforts such as West Greenville revitalization that have been instrumental in bringing clients representing "all realms" of the population to apply for loans to purchase homes.

The City's down payment assistance is available to everyone. While some applicants appear to be well educated in the homebuyer loan process, the lending industry feels that most still are not. When lenders counsel prospective borrowers about the financial responsibility associated with home mortgages, offering practical advice regarding savings and spending, borrowers become frustrated and seek mortgage loans elsewhere. If all mainstream lenders have similar policies, it is possible that this serves drive people to seek loans through brokers and subprime lenders. Therefore, a stronger push to promote homebuyer counseling appears to be an appropriate solution.

2. Impediment

The lack of education about discrimination and fair housing laws in Greenville. An essential part of fair housing opportunities and enforcement is the education of the public regarding the rights and responsibilities afforded by fair housing laws. This includes the education of housing and financial providers, as well as citizens.

Plan

Education is a key element on two fronts. First, it is one of the most pressing needs to ensure fair housing choice. It is imperative that individuals and families seeking housing know their rights and responsibilities and that those involved in the housing industry understand their rights and responsibilities, as well. Secondly, providing public education that produces an employable workforce with higher earning potential will help improve creditworthiness of future homebuyers. The onus falls to the public school system to ensure that tomorrow's residents have the skills they need to be competitive in the job marketplace, as well as to be educated consumers armed with the skills to make informed decisions.

3. Impediment

Awareness of fair housing issues is important. Everyone needs to know what may constitute a violation, and what they can do in the event they believe they may have been discriminated against. In addition, it is important for lenders, housing providers and their agents to know their responsibilities and when they may be violating fair housing laws.

Plan

In responding to whether Fair Housing was an issue in Greenville, the financing industry again addressed the results of the recent NCRC report, stating that the minority stigma has improved, but it still exists. The lenders need for production (or writing of loans) drives greater leniency in which lenders select to lend to, thereby lessening the impact of race. Mortgage brokers, on the other hand, know that people do business with people who look like them, and so they hire people that resemble the markets they serve. This is good marketing, but also encourages minority homebuyers to seek loans with lenders who are not necessarily looking out for the borrowers' best interests. Additionally, brokers are most familiar with the products that are most popular in the markets they serve and are not aware of all the products offered by the institutions they represent, thus limiting their offerings to higher-cost products. Unfortunately, uninformed buyers also choose lenders on the basis of word-of-mouth referrals from friends and family, and the belief that banks do not lend money to minorities. Again, while educating consumers is indicated, it is difficult to reach them when they will not avail themselves of the opportunities.

The City will continue its efforts to educate the public through Fair Housing month activities and a local loan counseling program.

The City will encourage lenders, housing providers and their agents to know their responsibilities and to attend training on fair housing laws.

4. Impediment

The lack of a pro-active property maintenance code enforcement program. Substandard housing and low property maintenance contribute to the lack of safe, decent, and sanitary affordable housing. Such a program could help with the preservation of the rental housing stock.

Plan

The City will consider several activities to increase the availability of affordable housing opportunities and programs to preserve existing rental housing stock throughout the City including a program to assist investors in

rehabilitating substandard housing stock in an effort to keep those units affordable once renovations have been completed.

5. **Impediment**

There are limited housing opportunities for the homeless, those who are at risk of homelessness, and special needs populations. There is not enough funding for permanent housing. Too many citizens are on the brink of becoming homeless because they have to spend too much of their income on housing (many times not decent or safe housing).

Plan

The City will continue to support programs to increase family self-sufficiency and to prepare homeless, at risk and special needs populations for rental or homeownership opportunities through financial literacy, credit counseling and rental assistance. The City also needs to support a number of initiatives to assist low-moderate homebuyers with down-payment assistance, default delinquency counseling, anti-predatory lending counseling and homeless prevention programs.

6 **Impediment**

Lack of Access to Homeownership (Based on HMDA and apparent Predatory Lending Practices)

This Impediment can be addressed in the 2008-2013 Consolidated Plan as the City considers inequities that may occur in homeownership opportunities for protected classes or those covered by the Fair Housing Law.

An analysis of the HMDA data in this document reveals, for example, that while black residents comprise 34 percent of the population, 21 percent of all home purchase mortgage applications come from black families/individuals so therefore, it appears that black applicants may be underrepresented although improving substantially over the past five years. City programs targeted to assist low-moderate income protected classes should focus more closely on educating the population on the importance of homeownership and how to access local lending resources.

In addition, consistently high denial rates on home improvement loans may reflect policies in the lending industry, but this is an area that warrants some attention in Greenville. The disinvestment associated with an inability to raise funds to maintain one's home can have an undesirable effect on the community when it occurs in great numbers.

Plan

In responding to whether Fair Housing was an issue in Greenville, the financing industry again addressed the results of the recent NCRC report, stating that the minority stigma has improved, but it still exists. The need for production (that is, writing loan business) in the lending industry drives greater leniency in which lenders select to lend to, thereby lessening the

impact of race. Mortgage brokers, on the other hand, know that people do business with people who look like them, and so they hire people that resemble the markets they serve. This is good marketing, but also encourages minority homebuyers to seek loans with lenders who are not necessarily looking out for the borrowers' best interests. Additionally, brokers are most familiar with the products that are most popular in the markets they serve and are not aware of all the products offered by the institutions they represent, thus limiting their offerings to higher-cost products. Unfortunately, uninformed buyers also choose lenders on the basis of word-of-mouth referrals from friends and family, and the belief that banks do not lend money to minorities. Again, the solution lies in educating consumers, although it is difficult to reach them when they will not avail themselves of the opportunities.

C. Affirmative Marketing Policy

In accordance with the regulations of the HOME Program and in furtherance of the City of Greenville's commitment to fair housing and equal housing opportunity, this Policy establishes procedures to affirmatively market rental or residential units constructed or rehabilitated under the HOME Program. These procedures are designed to assure that individuals who normally might not apply for available housing units because they are socially and/or economically disadvantaged are provided an opportunity to apply.

This Affirmative Marketing Policy is documented and maintained in the Housing Division files, and shall be included in all HOME project proposals and agreements and HOME project files. The Beneficiary is held to the terms of the Policy by the requirement in the applicable HOME Subrecipient or HOME/Community Housing Development Organization ("CHDO") Agreement.

It is the policy of the City of Greenville, Housing Division not to discriminate against any person on the basis of race, color, national origin, sex, religion, familial status, or disability:

1. In the sale or rental of housing or residential lots;
2. In advertising the sale or rental of housing;
3. In the finance of housing;
4. In the provision of real estate brokerage services; or
5. In the appraisal of housing.

Please see **Appendix H**.

D. Minority/Women Business Outreach

It is the policy of the City of Greenville to provide minorities and women equal opportunity for participating in all aspects of the City's contracting and procurement programs, including, but not limited to, construction, projects, supplies and materials purchases and professional and personal service contracts.

E. Evaluation and Reduction of Lead-Based Paint Hazards

Lead poisoning is one of the worst environmental threats to children in the United States. While anyone exposed to high concentrations of lead can become poisoned, the effects are most pronounced among young children.

All children are at higher risk to suffer lead poisoning than adults, but children under age six are more vulnerable because their nervous systems are still developing. At high levels, lead poisoning can cause convulsions, coma, and even death. Such severe cases of lead poisoning are now extremely rare, but do still occur. At lower levels, observed adverse health effects from lead poisoning in young children include reduced intelligence, reading and learning disabilities impaired hearing and slowed growth.

An important initiative emanating from HUD in the last decade is the reduction of lead-based paint hazards, and many jurisdictions around the country have focused a concerted effort to reach this goal. The federal Residential Lead-Based Paint Hazard Reduction Act of 1992 (Title X of the Housing and Community Development Act of 1992) amends the Lead-Based Paint Poisoning Prevention Act of 1971, which is the law covering lead-based paint in federally funded housing. These laws and subsequent regulations issued by the U.S. Department of Housing and Urban Development (24 CFR Part 35) protect young children from lead-based paint hazards in housing that is financially assisted or being sold by the federal government.

In property rehabilitation projects involving the City of Greenville, the City will assess whether lead-based paint might be present and, if so, follow the guidelines set forth in the Residential Lead-Based Paint Hazard Reduction Act of 1992, Title X of the Housing and Community Development Act of 1992 (Title 24, Part 35 of the Code of Federal Regulations).

Through the City of Greenville U.S. Department of Housing and Urban Development's Lead Based Paint Hazard Control Grant program, the City proposes to use \$1.9 million grant funds to accomplish the following:

- Control and reduce lead hazards in one hundred (110) low-income housing units in the Greenville area.
- Addressing 110 housing units occupied by children under the age of six w/ elevated blood lead levels
- Provide 75 outreach programs for community awareness and education regarding lead hazards aimed at reaching 5,000 people
- Screening and test for elevated lead levels in children under age six
- Provide Lead Safe Work and Lead Certification training to at least 10 Contractors involved in the City of Greenville housing rehabilitation program
- Provide economic opportunities to at least sixty (60) unemployed and underemployed persons in the targeted neighborhoods, creating 60 jobs
- Develop a self sustaining program by integrating lead hazard reduction into housing rehabilitation programs

The City of Greenville is committed to testing and abating lead in all pre-1978 housing units assisted with federal grant funds in any of the housing programs implemented. Currently, the City of Greenville has contracted with an agency to provide all lead testing and clearance activities. This agency has also agreed to provide training for the housing rehabilitation contractors.

In addition, the City of Greenville will offer lead testing and abatement assistance in the form of a grant to eligible housing rehabilitation assistance participants that have children six years and under in the household, senior adults (55+) and the disabled/handicapped clients.

F. Anti-Poverty Strategy

City of Greenville housing programs inherently address poverty by creating housing opportunities for low income households. Without these housing opportunities many low income households would not be able to afford housing rehabilitation costs or to purchase a home.

Additionally, funding through CDBG Public Service activities of transitional housing providers such as the Greenville Community Shelter and Family Violence Program, both nonprofit agencies, allows individuals that would normally reside in impoverished conditions the opportunity to establish themselves in order to find suitable employment. Such efforts will work to reduce the number of persons currently living in poverty.

G. Developing Institutional Structures

The City of Greenville, through its Housing Division, the network of housing subrecipients and Community Housing Development Organizations (CHDOs), are effectively organized to utilize all the funding received through the various state/federal programs.

The private sector is provided with incentives for developing affordable rental housing through tax credits provided by the federal tax credit program. Tax credits provide developers with an additional state subsidy for low income apartment construction.

In addition, each year efforts are made to work with local institutions to provide housing and economic opportunities for low income persons through public service activities and participation in the Pitt County Continuum of Care. The Pitt County Continuum of Care began in 2001 and has successfully grown into a well-balanced organization made up of local government agencies, housing providers, service providers, and other interested group. The development of the continuum and participation by the City of Greenville will greatly enhance coordination between these agencies. The Public Housing Authority has also joined the Continuum of Care and has begun working in concert with the City of Greenville and our revitalization efforts in the West Greenville 45-Block Revitalization Area.

The City of Greenville will continue to coordinate with other governmental agencies, nonprofit organizations, private enterprises and individuals to provide increased opportunities for the target area.

H. Public Housing

There are four Public Housing managing agencies in the Pitt County area, which include Greenville Housing Authority with a total of 779 units; Mid East Commission who manages a total of 135 units in three towns; Farmville Housing Authority who manages 174 units and Ayden Housing Authority who manages 175 units. Each of the mentioned Public Housing Authorities receives federal funds to modernize and repair public housing units.

In addition, the City of Greenville Community Development Department Housing Division has formed a partnership with the Greenville Housing Authority to offer bimonthly Homeownership and Financial Literacy classes to public housing residents and other citizens. So far, three former resident utilizing the Housing Choice Voucher program and City of Greenville HOME downpayment assistance program has purchased a new home, developed by a local Community Housing Development Organization.

I. Recapture Provisions

HOME program funds are provided to low income individuals for new construction, housing rehabilitation and homebuyer purchase assistance. These funds are provided in a variety of forms and will be extended to persons with incomes up to but not greater than 80% of the Area Median Income adjusted by family size as published by the U.S. Department of Housing and Urban Development. Assistance provided for homebuyer assistance will be in the form

of secondary mortgages. Listed below are the recapture provisions for rehabilitation and homebuyer assistance programs with maximum amounts of assistance available for the activity. A Deed of Trust and Promissory Note for the amount of assistance provided under the program will be used to secure the assistance. Should the recipient default under program requirements, collection of the funds will be pursued with legal guidance as documented on the deed of trust and promissory note as recorded. Assistance may be in the form of deferred loans or amortized loans.

- Homebuyer assistance may be used for downpayment assistance and/or principal mortgage reduction via Secondary Mortgage. Borrower's income cannot exceed 80% of the area median income adjusted by family size as published annually for Greenville. Maximum loan amounts of up to \$20,000 (20% of sales price of home with cap of \$20,000). Loans will be amortized over a fifteen-year period.
- Housing Rehabilitation Assistance will be offered to persons/families with incomes up to but not greater than 80% of the area median income adjusted by family size and as published annually for Greenville. For households with incomes less than 50% of the area median income, a 10 year deferred loan will be offered up to \$60,000 for rehabilitation assistance. For households with incomes from 51% to 80% of the median area income, the combination of a deferred payment loan and a no interest loan is available. Deferred loans are forgiven at a rate of 10% each year and no-interest loans are amortized over 10 years. In no case may the assistance exceed \$60,000 unless special circumstances exist that warrant exceeding the maximum price and approval of the City Manager is granted.
- Assistance provided to nonprofit agencies through the CDBG Program will be secured with a subrecipient agreement/contract. Should the agency fail to comply with program rules, the assistance will be recaptured.
- Assistance provided for new construction to certify CHDOs will be secured by a program agreement/contract. Should the agency fail to comply with program rules, the assistance will be recaptured.

VI. MONITORING PLAN

In regard to CDBG and HOME programs, the City of Greenville's Housing Division Staff has the responsibility for monitoring all activities undertaken.

All activities are covered by an established set of standards in the City of Greenville's Policy and Procedures Manual for the Community Development Programs. In addition all activities are carried out under a binding agreement/contract. Activities are reviewed for compliance with program objectives. The Housing Division maintains records of all activities.

Monitoring activities include but are not limited to the following:

- Monthly meetings with Affordable Housing Loan Committee.
- Weekly contact with Non-Profit Agencies funded under CDBG and HOME as projects occurs for compliance with Local/National Program Objectives.
- Monitor projects of subrecipient agencies to insure compliance with Davis-Bacon, Bidding, Contracting, Uniform Act, Auditing and Local Building Code requirements.
- Monitor progress of all projects through bimonthly reporting to City Management and local elected officials.
- Financial activities in the programs are reviewed on a monthly basis.
- Annual inspection of assisted properties for continued maintenance of property and verification Hazard Insurance by Community Development Staff.
- Annual independent audit of all expenditures is conducted and results are provided to City Council, Granting Agencies, and Bonding Agencies.
- Review of nonprofit files for maintaining information required by the City of Greenville and granting agencies (as outlined in procedures manual and contract).
- Conduct Workshops for contractors, non-profits, and other program participants to review guidelines and requirements.

A. HOME Program monitoring Schedule

The following is the proposed monitoring schedule for the HOME Investment Partnership Program: program.:

Monitoring Schedule - HOME Investment Partnership

Active Funded Consortium Members	Contact Person	Monitoring Visit Close out of Prior Year Funding	Quarterly Monitoring Visits	Quarterly Monitoring Visits	Quarterly Monitoring Visits
Town of Farmville	Richard Hicks	Week of July 12, 2010	Week of September 27, 2010	Week of January 3, 2011	Week of March 14, 2011
Pitt County	Lori Jones	Week of July 12, 2010	Week of September 27, 2010	Week of January 3, 2011	Week of March 14, 2011

Active Funded CHDO's	Contact Person	Monitoring Visit Close out of Prior Year Funding	Quarterly Monitoring Visit	Quarterly Monitoring Visit	Quarterly Monitoring Visit
Farmville Housing Development Corporation	Dean Corbett	Week of July 12, 2010	Week of September 27, 2010	Week of January 3, 2011	Week of March 14, 2011
Metropolitan Housing & CDC	Rev. David Moore	Week of July 12, 2009	Week of September 27, 2010	Week of January 3, 2011	Week of March 14, 2011

Quarterly Review Outstanding Projects

Consortium Members with Outstanding Projects	Contact Person	1 st Quarter Monitoring Visit	2 nd Quarter Monitoring Visit	3 rd Quarter Monitoring Visit	4 th Quarter Monitoring Visit
Town of Grifton	Joe Albright	Week of July 6, 2010	Week of October 4, 2010	Week of January 4, 2011	Week of April 4, 2011

Annual Compliance Review

Annual Compliance Review (Affordability Period)	Contact Person	Annual Monitoring Visit
Town of Ayden	Cindy Dunn	Week of June 20, 2011
Town of Bethel	Todd Bullock	Week of June 20, 2011

Town of Winterville	Tangi Williams	Week of June 20, 2011
---------------------	----------------	-----------------------

B. CDBG Program monitoring Schedule

The following is the proposed monitoring schedule for the CDBG Program:

Monitoring Schedule - CDBG

Active Subrecipient	Contact Person	Monitoring Visit Date
Family Violence Program	Diane Lucas	January 3, 2011
L.I.F.E. of NC, Inc.	Joyce Jones	January 3, 2011
Greenville Housing Development Corporation	Michael Best	January 3, 2011
Greenville Community Shelter	Lynne James	January 3, 2011

VII. STRATEGIES TO ELIMINATE HOMELESSNESS

A. Continuum of Care

Since 2001, the City of Greenville has actively assisted with the creation and development of a Continuum of Care for Pitt County. The group, known as the Pitt County Continuum of Care, is devised of City and County staff, as well as non-profit and for-profit representatives. The group meets monthly to discuss the ever-growing homeless population in our community. Efforts to end homelessness and to coordinate supportive services to homeless persons are top priorities for the community. The January 2010, a Continuum of Care Homeless Population Point in Time Survey revealed that there are 93 homeless persons in Pitt County and only 72 beds available to serve them.

During the upcoming 2010-2011 fiscal year, the group will continue to develop the Continuum and prepare a grant application for submission. To date, the Pitt County Continuum of Care has received funding every year since 2003 funding cycle. Funding received under the 2004 and 2005 award was allocated to implement a Homeless Management Information System (HMIS). All actions by the Continuum of Care group will address obstacles to meet the underserved needs in the community, assist with the reduction of poverty level families, assist with the development of “institutional structures”, and enhance coordination between public and private housing and social service providers. Other actions

will include marketing of the continuum to reach out to surrounding communities in an endeavor to promote regional participation.

B. Ten-Year Plan to End Homelessness

The City of Greenville, Pitt County Government, United Way and other nonprofit agencies formed a partnership in 2008 to hire a professional consultant to assist the community with developing a Ten-Year Plan to End Chronic Homelessness in Pitt County. The Plan was approved October 2008 by the Greenville City Council and Pitt County Commission. The goals and objectives are as follow:

GOAL 1

Provide community-based services and support to prevent homelessness before it happens and diminish risks for homelessness to recur.

■ **Outcome 1-A**

Increased access to services provided to the homeless population.

■ **Outcome 1-B**

Increased number of individuals who are employed and able to manage their personal finances.

■ **Outcome 1-C**

A comprehensive client-centered discharge planning process coordinated among community agencies for individuals leaving foster care, mental health facilities, jails and prisons, medical facilities, and military units who are at risk for homelessness.

■ **Outcome 1-D**

A data infrastructure (HMIS) that would link all services, screen for program eligibility, and gather data needed to monitor (assess) progress of implementation.

GOAL 2

Create adequate short-term housing options and supportive permanent housing for those who are chronically homeless or at risk of becoming homeless.

■ **Outcome 1-A:**

Increased inventory of housing options that meet the needs of individuals and families who are homeless and those at risk of becoming homeless.

Both local governments and nonprofit agencies are now in the process of planning for implementation. The City Council approved September 2008 a two year contribution of CDBG funds in the amount of \$30,000 per year to fund implementation activities, during fiscal years 2009 and 2010.